

## HighLights:

The dollar hit a three-week high on Tuesday, boosted by comments from the U.S. Federal Reserve bolstering expectations that it would keep raising interest rates, as sterling skidded on the opposite message from the Bank of England.

The British pound fell almost a cent against its U.S. counterpart after BoE Governor Mark Carney said now was not the time to raise UK interest rates. Last week three BoE policymakers had voted in favour of a hike.

Conversely, New York Fed President William Dudley said on Monday that tightening in the U.S. labour market should help drive up inflation, reinforcing the message that a recent patch of weak data is unlikely to derail plans to keep raising interest rates, after two hikes so far this year. Dollar index - which measures the greenback against six other major currencies, including sterling - climbed to 97.648 .DXY , its highest since the end of May.

Market Highlights				
	Close	Prev Cls.	Price Chg	Price Chg %
Doller Index	97.59	97.55	0.04	0.04
USD/INR (Spot)	64.46	64.5	-0.04	-0.06
USD/INR (Nse June)	64.53	64.49	0.04	0.06
EUR/INR (Spot)	71.92	71.9	0.02	0.03
EUR/INR (Nse June)	72.06	72.33	-0.27	-0.37
GBP/INR (Spot)	81.67	82.15	-0.48	-0.58
GBP/INR (Nse June)	81.82	82.57	-0.75	-0.91
JPY/INR (Nse June)	57.9	58.12	-0.22	-0.38

Separately, Chicago Fed President Charles Evans said on Monday it may be worthwhile for the U.S. central bank to wait until year-end to decide whether to raise interest rates again, but this appeared to have little negative effect on the dollar. Dudley commonly represents the majority view on the FOMC (Federal Open Market Committee) - this is the main reason why the dollar is appreciating," said Commerzbank (DE:CBKG) strategist Thu Lan Nguyen, in Frankfurt. "Evans was more dovish but he's known to be dovish."

The greenback has edged higher since the Fed on June 14 raised interest rates for a second time in 2017 and announced it would begin cutting its holdings of bonds and other securities later this year, while indicating that a recent softening in inflation was seen as transitory.

The dollar may see further gains against the yen, especially after Bank of Japan Governor Haruhiko Kuroda last week indicated the BOJ would be in no hurry to dial back its massive stimulus programme, said Tan Teck Leng, forex analyst for UBS Wealth Management in Singapore.

The dollar reached a more than three-week high versus the yen on Tuesday, after an influential Federal Reserve official said U.S. inflation should rise alongside wages, reinforcing expectations for the Fed to keep raising interest rates.

The dollar was lifted on Monday when New York Fed President William Dudley said that tightening in the labour market should help drive up inflation. helped offset concerns among some investors that stubbornly low inflation could prevent the Fed from raising interest rates further this year.

The dollar rose to 111.775 yen JPY= at one point, reaching its strongest level since May 26. That marked a gain of about 2.7 percent from the dollar's near 2-month low of 108.81 yen set last Wednesday.

## USDINR



### Technical View:

On a weekly chart, the pair has been trading in its horizontal channel pattern formation from past few weeks and taken the support of its lower band of the channel at 64 levels.

On a weekly chart, the pair has formed hammer candle stick pattern, which is bullish reversal candle stick pattern.

Moreover, prices have been trading above its 21 DSMA which gives the sign of bullishness in the prices.

A momentum indicator RSI has taken of its horizontal trend line at 30 levels, which suggest the possibilities of upside momentum in the prices.

So for trading perspective, one can buy USDINR in the range of 64.45 with SL of 64.20 for the target of 65 levels.

## JPYINR



### Technical View:

On a daily chart, the price has been trading in its falling channel pattern formation and price has faced the resistance of its upper band of channel at 58.20 levels.

Moreover, prices have been trading below its 50 DSMA which gives the sign of bearishness in the prices.

On a daily chart momentum indicator, RSI has remained below 60 levels which indicates downside movement in the prices.

In addition, momentum indicator MACD has shown negative crossover which suggests further downside momentum in the prices on a daily chart.

So for trading perspective, one can sell JPYINR in the range of 58 with SL of 58.30 for the target of 57.50 levels.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
<b>USDINR</b>	64.24	64.35	64.41	64.46	64.52	64.57	64.68
<b>JPYINR</b>	57.79	57.94	58.04	58.09	58.19	58.24	58.39

## GBPINR



### Technical View:

On a daily chart, the price has been trading in falling wedge formation and price has faced resistance of its upper band of wedge pattern at 84.60 levels.

The pair has faced resistance of its horizontal trend line at 84.50 levels on a daily chart.

Moreover, prices have been trading below its 50 DSMA, which suggest short term trend looks weak.

Moreover, momentum indicator MACD has given negative crossover on a daily chart, which gives the sign of bearishness in the prices.

A momentum indicator RSI has remained below 60 levels on a daily chart, which support our bearish view on the pair.

For now, we expect prices should move lower towards 81 levels in the coming trading sessions.

## EURINR



### Technical View:

On a daily chart, prices have been trading in falling channel pattern from past few weeks and price has faced the resistance near its upper band of the channel pattern at 73.50 levels.

The pair has given breakout of its horizontal trend line at 74 levels on the daily chart.

The pair has been trading below its 50 DSMA on a daily chart, which suggests further downside momentum can be seen in the prices.

On a daily chart momentum oscillator, RSI has remained below 60 levels, which suggests the possibilities of further downside momentum in the prices.

A momentum indicator MACD has shown negative crossover on a daily chart.

For now, we can expect prices should move lower towards 71.40 levels in the coming trading session.

### Pivot levels for the Day

	S3	S2	S1	Pivot	R1	R2	R3
<b>EURINR</b>	72.01	72.13	72.20	72.25	72.32	72.37	72.49
<b>GBPINR</b>	81.50	82.03	82.28	82.56	82.81	83.09	83.62

## Economic Indicators

Date	Time	Data	Prior	Expected	Impact
21.06.17	02:00 PM	Public Sector Net Borrowing	9.6B	7.3B	Actual > Forecast = Good for currency; GBPINR
21.06.17	7:30 PM	Existing Home Sales	5.57M	5.54M	Actual > Forecast = Good for currency; USDINR
21.06.17	08:00 PM	Crude Oil Inventories	-1.2M	-1.7M	

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